

ACTION NEA-00

INFO LOG-00 AGRE-00 CA-00 INL-00 USNW-00 DS-00 EB-00
 EUR-00 E-00 UTED-00 IO-00 L-00 NSCE-00 OMB-00
 PA-00 PER-00 PM-00 P-00 D-00 SP-00 SSO-00
 SS-00 TEST-00 R-00 PMB-00 DSCC-00 PRM-00 G-00
 SAS-00 SWCI-00 /000W

-----158CAA 290640Z /38

R 290739Z APR 04
 FM CPA BAGHDAD
 TO SECDEF WASHDC 0738
 SECSTATE WASHDC 0756
 WHITE HOUSE NSC WASHDC 0723
 INFO IRAQ COLLECTIVE

UNCLAS SECTION 01 OF 05 BAGHDAD 000378

SENSITIVE

E.O. 12958: N/A

TAGS: EAID, EFIN, ETRD, EPET, PGOV, PHUM, IZ
 SUBJECT: QCPA 1040: ADMINISTRATOR'S WEEKLY ESSENTIAL
 SERVICES REPORT: APRIL 17-23, 2004

1. (SBU) SUMMARY. THE ESSENTIAL SERVICES REPORT IS ONE OF FOUR ADMINISTRATOR'S REPORTS PRODUCED WEEKLY BY CPA-BAGHDAD. CPA-WASHINGTON DISTRIBUTES ALL FOUR REPORTS - SECURITY, ESSENTIAL SERVICES, ECONOMIC, AND GOVERNANCE - WITH GRAPHICS VIA EMAIL. THE ECONOMIC, GOVERNANCE, AND ABRIDGED VERSIONS OF THE SECURITY AND ESSENTIAL SERVICES REPORTS WILL BE POSTED AFTER 48 HOURS ON THE CPA WEBSITE, WWW.CPA-IRAQ.ORG. THE FULL SECURITY AND ESSENTIAL SERVICES REPORTS REMAIN SENSITIVE BUT UNCLASSIFIED. HEADLINES OF PARAGRAPHS 3-9 REFLECT GOALS IN THE COALITION PROVISIONAL AUTHORITY STRATEGIC PLAN. END SUMMARY.

2. (SBU) HIGHLIGHTS

-- THE SEVEN-DAY AVERAGE (APRIL 17-23) OF PEAK ELECTRICITY PRODUCTION WAS 3,856 MW.

-- SINCE MAY 2003, CPA HAS REINSTATED 344,102 CELL PHONE SUBSCRIBERS.

-- THE MINISTRY OF OIL MET THE COALITION PROVISIONAL AUTHORITY GOAL OF 15 DAYS OF SUPPLY OF FUEL NATIONWIDE FOR KEROSENE.

PROVIDE ELECTRICITY SERVICES THAT MEET NATIONAL NEEDS

3. (SBU) CPA TASKS: IMPROVE GENERATING CAPACITY TO 6,000 MW BY JUNE 1, 2004; FULLY IMPLEMENT POLICY ON ALLOCATION OF ELECTRICAL POWER; PUBLISH DRAFT OF LONG TERM STRATEGY; MINIMIZE SABOTAGE AND IMPROVE SECURITY.

-- THE SEVEN-DAY AVERAGE (APRIL 17-23) PEAK ELECTRICITY PRODUCTION WAS 3,856 MW, AN INCREASE OF 6.1 PERCENT FROM THE PREVIOUS WEEK. ON APRIL 21, PEAK PRODUCTION HIT A HIGH FOR THE WEEK AT 4,107 MW. THE SPRING MAINTENANCE OF SEVERAL UNITS HAS RECENTLY BEEN COMPLETED, WHICH IS CONTRIBUTING TO THE INCREASE IN OUTPUT. REMAINING UNITS IN SPRING MAINTENANCE ARE EXPECTED TO BE COMPLETED IN MAY AND JUNE.

-- THE SEVEN-DAY AVERAGE (APRIL 17-23) TOTAL PRODUCTION OF ELECTRICAL ENERGY WAS 77,981 MWH PER DAY, AN INCREASE OF 2.6 PERCENT FROM THE PREVIOUS WEEK. ON APRIL 21, THE TOTAL HOURS OF ELECTRICAL ENERGY PEAKED FOR THE WEEK AT 86,821 MWH.

-- THIS PAST WEEK, AN AVERAGE OF 643 MW (22 GENERATORS) OF GENERATING CAPACITY WAS ON FORCED (UNPLANNED) OUTAGE, AND AN AVERAGE OF 1,453 MW (26 GENERATORS) WAS ON SCHEDULED OUTAGE. EIGHT (400 KV) AND TEN (132 KV) TRANSMISSION LINES ARE CURRENTLY OUT OF SERVICE. NO LINES WERE RETURNED TO SERVICE. EXISTING TRANSMISSION CAPACITY, HOWEVER, IS SUFFICIENT TO COMPENSATE FOR LINES CURRENTLY OUT-OF-SERVICE. DUE TO NATURAL GAS PIPELINE SABOTAGE NORTHWEST OF BALAD, THERE HAS BEEN NO POWER FROM THE DOURA OR TAJI POWER PLANTS SINCE 23 APRIL.

-- THE FOLLOWING CHART PRESENTS THE DAILY ELECTRIC POWER CONSUMPTION BROKEN DOWN AMONG THE NORTH, CENTRAL (INCLUDING BAGHDAD), AND SOUTH REGIONS. DURING THE REPORTING PERIOD, THE NORTH CONSUMED AN AVERAGE OF 855 MW PER DAY OR 24 PERCENT OF TOTAL POWER CONSUMPTION. PER DAY, THE CENTRAL REGION CONSUMED 2,122 MW OR 59 PERCENT OF THE TOTAL, AND THE SOUTH CONSUMED 613 MW OR 17 PERCENT OF TOTAL ELECTRICITY CONSUMPTION DURING THE PAST WEEK.

RECONSTRUCT COMMUNICATIONS AND POSTAL SYSTEMS

4. (SBU) CPA TASKS: BUILD IRAQ'S FIRST RESPONDER NETWORK; ESTABLISH INDEPENDENT REGULATORY AGENCY; UPGRADE IRAQI TELEPHONE AND POSTAL COMPANY (ITPC) NETWORK FOR

INTEROPERABILITY; BUILD TRANSMISSION COMPONENT DATA NETWORK FOR IRAQ, INCLUDING INTERNATIONAL GATEWAYS; RESTRUCTURE ITPC AND ITS BUSINESS OPERATIONS; UPGRADE AND MODERNIZE POSTAL SYSTEMS; UPGRADE ITPC OUTSIDE PLANT FOR INCREASED SUBSCRIBER CAPACITY AND USE.

-- THE FOLLOWING CHART REFLECTS THE PROGRESS OF THE INTERIM FIRST RESPONDER NETWORK. CURRENTLY, THE BAGHDAD TRUNKED RADIO SYSTEM, WHICH TRANSMITS VOICE AND DATA TO POLICE, FIRE AND EMERGENCY MEDICAL TECHNICIANS (EMTS), IS

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WEEKLY BY CPA-

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MOBILES ARE CAR-MOUNTED RADIOS.

-- SINCE MAY 2003, CPA HAS REINSTATED LANDLINE TELEPHONE SERVICE FOR 178,840 SUBSCRIBERS IN BAGHDAD.

-- THE FOLLOWING PARAGRAPHS DELINEATE THE NUMBER OF LANDLINE AND CELL PHONE SUBSCRIBERS IN IRAQ, AND COMPARE THEM TO PRE-WAR ESTIMATES. THE CHART BELOW SHOWS THE NUMBER OF ACTIVE LANDLINE SUBSCRIBERS IN APRIL 2003, THE CURRENT NUMBER OF ACTIVE LANDLINE SUBSCRIBERS, THE NUMBER OF LANDLINE SUBSCRIBERS REINSTATED POST-CONFLICT (SINCE MAY 2003), AND THE NUMBER OF FORMERLY ACTIVE LANDLINE SUBSCRIBERS WHO REMAIN WITHOUT SERVICE (EXCLUDING THE THREE NORTHERN GOVERNORATES).

-- THE THREE MAJOR CELL PHONE COMPANIES IN IRAQ (ASIA CELL, IRAQNA, AND ATHEER IN THE NORTH, CENTRAL, AND SOUTH RESPECTIVELY) CONTINUE TO ENROLL NEW CELL PHONE SUBSCRIBERS. CURRENTLY, IN MOSUL, SULAYMANIYAH, AND KIRKUK, THERE ARE 153,000 CELL PHONE SUBSCRIBERS. IN BAGHDAD, THERE ARE 134,000 CELL PHONE SUBSCRIBERS; AND IN BASRA, AL KUT, AMARAH, SAMAWAH, AND NASIRIYAH THERE ARE 45,102 CELL PHONE SUBSCRIBERS. TWO LEGACY COMPANIES, SANA TEL AND KOREK, OPERATE IN SULAYMANIYAH AND ARBIL, RESPECTIVELY. SANA TEL HAS 12,000 SUBSCRIBERS. KOREK'S NUMBERS ARE UNAVAILABLE AT THIS TIME. THE TOTAL AMOUNT OF CELL PHONE SUBSCRIBERS IS 344,102.

-- THERE ARE NOW 761,440 ACTIVE LANDLINE TELEPHONE SUBSCRIBERS IN IRAQ, COMPARED TO 833,000 SUBSCRIBERS PRE-WAR. THE TOTAL NUMBER OF TELEPHONE SUBSCRIBERS IN IRAQ, INCLUDING THE CELL PHONE SUBSCRIBERS, IS 1,105,542, WHICH IS 32.8 PERCENT GREATER THAN THE NUMBER OF ACTIVE LANDLINE SUBSCRIBERS PRE-WAR.

-- THE PENETRATION RATE (THE NUMBER OF ACTIVE LANDLINE TELEPHONE SUBSCRIBERS AS A PERCENTAGE OF THE POPULATION) IS 2.94 PERCENT (USING AN ESTIMATED POPULATION OF 25.9 MILLION).

-- THE FOLLOWING CHART SHOWS THE PERCENTAGE OF OPERATIONAL TELEPHONE SUBSCRIBERS COMPARED TO THE NUMBER OF ACTIVE SUBSCRIBERS IN APRIL 2003.

PROVIDE FOOD SECURITY FOR ALL IRAQIS

5. (SBU) CPA TASKS: ENHANCE CAPACITY OF MINISTRY OF AGRICULTURE; ASSURE SUPPLY OF INPUTS; STRENGTHEN RESEARCH

SYSTEM; ENSURE ADEQUATE STOCKS FOR PUBLIC DISTRIBUTION SYSTEM (PDS); MONITOR FOOD SECURITY; HAND OVER ADMINISTRATION OF SYSTEM IN THE NORTH; INITIATE REFORM OF RATIONS BASKET; ENVIRONMENTAL INITIATIVES.

-- CPA PROJECTS THAT NO SHORTAGES WILL OCCUR IN THE APRIL AND MAY RATIONS GIVEN THE NEW PROCUREMENTS OF FOOD BASKET COMMODITIES BY BOTH THE WORLD FOOD PROGRAM (WFP) AND THE MINISTRY OF TRADE (MOT), INCLUDING ACCELERATED DELIVERY SCHEDULES FOR THE COMMODITIES WHERE STOCKS HAVE BEEN LOW. HOWEVER, MOT FACES PROBLEMS IN PROVIDING UPDATED, ACCURATE STOCK INFORMATION ON A WEEKLY BASIS. THESE PROBLEMS STEM FROM DIFFICULT COMMUNICATIONS LINKS BETWEEN THE GOVERNORATES AND BAGHDAD, AS WELL AS THE NEED TO UPGRADE INVENTORY CONTROL PROCEDURES. CPA IS ADDRESSING THESE CHALLENGES AS PART OF ITS HANDOVER STRATEGY.

-- THE FOLLOWING CHART SHOWS THE CURRENT PDS STOCKS AND SCHEDULED COMMODITY ARRIVALS AS A PERCENTAGE OF TOTAL REQUIREMENTS FROM APRIL UNTIL TRANSITION ON JULY 1. THE CPA GOAL IS TO PROVIDE SUFFICIENT RATION STOCKS FOR JULY, PLUS A THREE-MONTH BUFFER. ON THE GRAPH BELOW, 100 PERCENT OF OPENING STOCKS IN EACH COMMODITY CATEGORY INDICATES THAT THIS GOAL HAS BEEN ACHIEVED. WHILE SUBSTANTIAL ADDITIONAL SHIPMENTS OF MOST FOOD BASKET COMMODITIES HAVE BEEN PROCURED, THEY ARE NOT SHOWN AS THESE SHIPMENTS WILL ARRIVE AFTER JULY 1.

-- NOTE: OIL FOR FOOD (OFF) UNCONFIRMED CONTRACTS ARE THOSE CONTRACTS FOR WHICH A VALID LETTER OF CREDIT EXISTS BUT NO SHIPPING DOCUMENTATION HAS YET BEEN RECEIVED BY THE OIL FOR FOOD COORDINATION CENTER. AS OFF CONTRACTS ARE FULFILLED THEY ARE REPLACED BY MOT AND WFP PROCUREMENT.

-- CPA PROJECTS THAT RICE WILL BE IN DEFICIT IN THE FOOD BASKET IN APRIL. THE RICE DEFICIT IS DUE TO DELAYS IN UNLOADING WAITING RICE SHIPS IN THE PORT OF UMM QASR. CPA IS WORKING WITH THE MINISTRIES OF TRANSPORTATION AND MINISTRY OF TRADE TO ADDRESS ISSUES OF CONCERN IN THE PORT. MINISTRY OF TRADE OFFICIALS BELIEVE THAT POPULATION WILL SUPPLEMENT RICE NEEDS FROM THE LOCAL MARKET IN THE SHORT TERM, AND BE SATISFIED WITH "ARREARS DISTRIBUTIONS" OF RICE STARTING IN MAY, ONCE RICE ENTERS THE DISTRIBUTION SYSTEM. THE MINISTRY OF TRADE IS SEEKING TO ACCELERATE THE DELIVERY OF A TEA SHIPMENT FROM VIETNAM, TO COVER MAY RATION NEEDS, WHICH HAVE BEEN REDUCED FROM THE NORMAL 200 GRAMS PER PERSON TO 150 GRAMS.

-- LOCALIZED SHORTAGES MAY OCCUR, RELATED TO AN INCREASE IN INSURGENT ACTIONS THAT HAVE ISOLATED COMMUNITIES FROM

THE NORMAL DISTRIBUTION SYSTEM AND IN CRIMINAL ACTIVITY. LOCALIZED SHORTAGES MAY OCCUR, RELATED TO AN INCREASE IN INSURGENT ACTIONS THAT HAVE ISOLATED COMMUNITIES FROM THE NORMAL DISTRIBUTION SYSTEM AND IN CRIMINAL ACTIVITY. THE MINISTRY OF TRADE IS DEVELOPING CONTINGENCY STRATEGIES TO FEED NON-COMBATANTS IN FALLUJAH AND OTHER TOWNS. AT THIS POINT, FALLUJAH HAS SUFFICIENT FOOD SUPPLIES.

IMPROVE QUALITY AND ACCESS TO HEALTHCARE

6. (SBU) CPA TASKS: DEVELOP HEALTH CARE ORGANIZATIONS, MANAGEMENT, AND INFRASTRUCTURE; TRAIN HEALTH CARE PROFESSIONALS; SECURE SYSTEM; PUBLIC HEALTH; PHARMACEUTICALS LOGISTIC SUPPORT; STRATEGIC COMMUNICATIONS.

-- THE MINISTRY OF HEALTH (MOH) COORDINATED ADDITIONAL CONVOYS OF AMBULANCES AND MEDICAL SUPPLIES INTO FALLUJAH. THE MEDICAL SITUATION THERE HAS STABILIZED. THE MINISTRY IS REMAINING POSTURED TO AFFECT MEDICAL RESPONSES IN THE EVENT COMBAT ACTION INTENSIFIES OR THERE IS A NEED TO EVACUATE ADDITIONAL NON-COMBATANTS FROM THE AREA. THE MINISTRY WILL ASSIST THE COALITION IN PLANNING FOR EVACUATION CONTINGENCIES BY PROVIDING AN ASSESSMENT OF THEIR CAPABILITY AND IDENTIFYING ANY SHORTFALLS.

-- EFFORTS TO MITIGATE PHARMACEUTICAL SHORTAGES ACROSS THE COUNTRY CONTINUE. THE INITIAL \$5M PURCHASE SHOULD ARRIVE WITHIN THE NEXT FEW WEEKS. THE \$13M IMMEDIATE PURCHASE FROM INTERNATIONAL SOURCES IS IN PROGRESS AND THE MOH EXPECTS CRITICAL MEDICINES TO BEGIN ARRIVING BY THE END OF APRIL. THE THIRD EMERGENCY PURCHASE OF APPROXIMATELY \$10-15M TO FILL THE CRITICAL NEEDS AS DETERMINED BY THE GOVERNORATES MAY BE CONCLUDED LATER THIS WEEK OR NEXT.

RECONSTITUTE OIL INFRASTRUCTURE

7. (SBU) CPA TASKS: PRODUCTION/EXPORTS; PRODUCT SUPPLY; SECURITY; STRUCTURAL REFORM.

-- THE GRAPH BELOW SHOWS THE DAILY CRUDE OIL PRODUCTION IN IRAQ OVER THE PAST NINE MONTHS. THE DASHED BLACK LINE IS THE CURRENT PRODUCTION TARGET GOAL OF 2.5 MILLION BARRELS PER DAY (MBPD).

-- FOR THE WEEK OF APRIL 17-23, THE ESTIMATED AVERAGE TOTAL CRUDE OIL PRODUCTION WAS 2.43 MBPD (.41 MBPD IN THE SOUTH AND 2.018 MBPD IN THE NORTH). THE AVERAGE CRUDE OIL EXPORT FOR THE PAST 30 DAYS WAS 1.55 MBPD. THE AVERAGE

PRICE RECEIVED FOR CRUDE OIL EXPORTS WAS APPROXIMATELY \$26 PER BARREL.

-- THE FOLLOWING TABLE SHOWS THE FOUR MAIN FUELS IN IRAQ (DIESEL, KEROSENE, LIQUEFIED PETROLEUM GAS [LPG], AND GASOLINE), THE ESTIMATED TOTAL NATIONAL DAILY DEMAND FOR EACH, AND THE PERCENTAGE OF FUEL SUPPLY THAT IS ON HAND (WEEKLY AVERAGE) OUT OF TOTAL DEMAND.

-- THE GRAPH BELOW SHOWS THE TOTAL DAILY SUPPLY (DOMESTIC PRODUCTION PLUS IMPORTS) FOR EACH OF THE FOUR REFINED FUEL PRODUCTS AS A PERCENTAGE OF ESTIMATED DOMESTIC DEMAND OVER THE PAST SIX MONTHS.

-- THE DEFENSE ENERGY SUPPORT CENTER (DESC) HAS CONTINUED TO INCREASE HUMANITARIAN ASSISTANCE (HA) FUELS FROM TURKEY (DIESEL, BENZENE, AND LIQUEFIED PETROLEUM GAS) TO HELP OFFSET REDUCED IMPORTS FROM KUWAIT RESULTING FROM THE CURRENT TACTICAL SITUATION. THIS "OVER LIFT" (MORE PRODUCT THAT IS IMPORTED THAN ORIGINALLY PROJECTED) IS EXPECTED TO CONTINUE THROUGH MAY 9. FURTHER OPTIONS TO EXTEND OVER LIFT OF HA FUELS FROM TURKEY EXIST. OVER LIFT OF DIESEL FROM TURKEY IS APPROXIMATELY 148% OF ORIGINALLY PROJECTED TARGET. OVER LIFT OF BENZENE IMPORTS FROM TURKEY IS APPROXIMATELY 127% OF ORIGINALLY PROJECTED TARGET. DESC IS WORKING TO INCREASE BENZENE IMPORTS, AND CPA EXPECTS IMPROVEMENT AS BARGES BEGIN TO OFFLOAD IN MID-MAY.

-- ON APRIL 22, SABOTAGE DAMAGED THE 22" PIPELINE, WHICH CAN TRANSPORT DIESEL, BENZENE, AND KEROSENE, BETWEEN BAIJI AND BAGHDAD. TD WILLIAMSON (RAPID PIPELINE REPAIR CONTRACTORS) WORKED WITH THE IRAQI PIPELINE COMPANY AND REPAIRED THE LINE ON APRIL 26.

-- THE CHART BELOW SHOWS THE DAYS OF SUPPLY ON HAND AS OF APRIL 23 FOR EACH OF THE FOUR MAIN FUEL PRODUCTS IN IRAQ. THE CPA GOAL REMAINS TO HAVE 15 DAYS OF SUPPLY (DOS) FOR EACH FUEL ON HAND NATIONWIDE. CPA MET THIS TARGET FOR KEROSENE.

IMPROVE QUALITY AND ACCESS TO HIGHER EDUCATION

8. (SBU) CPA TASKS: OVERSEE THE BASIC ADMINISTRATIVE FUNCTIONS OF HIGHER EDUCATION SYSTEMS; REFORM AND RECONSTRUCT HIGHER EDUCATION INSTITUTIONS; REINTEGRATE THE HIGHER EDUCATION INSTITUTIONS IN THE NORTH WITH THE REST OF THE COUNTRY; REINTEGRATE IRAQI STUDENTS, SCHOLARS, AND

SCIENTISTS INTO THE BROADER INTELLECTUAL COMMUNITY; LAUNCH A REVIEW AND REFORM OF THE CURRICULUM IN ALL DISCIPLINES; PROVIDE ACCESS TO ESSENTIAL INFORMATION.

-- THREE IRAQI UNIVERSITY PROFESSORS HAVE BEEN AWARDED GRANTS TO PARTICIPATE IN THE FULBRIGHT AMERICAN STUDIES INSTITUTES. ONE PROFESSOR WILL ATTEND A SEMINAR ON AMERICAN CIVILIZATION; ANOTHER WILL BE ENROLLED IN THE SEMINAR ON CONTEMPORARY AMERICAN LITERATURE; THE THIRD PROFESSOR WILL JOIN THE LECTURES ON U.S. FOREIGN POLICY: FOUNDATIONS AND FORMULATIONS. THE SEMINARS WILL TAKE PLACE AT VARIOUS AMERICAN UNIVERSITIES FOR A PERIOD OF 6 WEEKS, FROM MID JUNE TO EARLY AUGUST 2004.

-- THE FIRST ARMORED DIVISION (1 AD) HAS FUNDED A PROJECT TO PROVIDE INTERNET SERVICE AT EIGHT DIFFERENT SITES AT THE BAB MUADHAM CAMPUS OF BAGHDAD UNIVERSITY. THE OVERALL PROJECT WILL COST ABOUT \$85,000 AND INCLUDES EIGHT SATELLITE SYSTEMS, FULL INSTALLATION AND THE PAYMENT OF ALL SERVICE FEES FROM MAY 1 THROUGH DECEMBER 30, 2004. INSTALLATION BEGAN ON APRIL 19 AND THE PROJECT WILL BE COMPLETE BY APPROXIMATELY MAY 5. THE SITES ARE AT THE COLLEGE OF PHARMACY, AL AKEDA WOMEN'S DORMITORY, COLLEGE OF EDUCATION, COLLEGE OF MASS COMMUNICATION, AL RUSALA WOMEN'S DORMITORY, COLLEGE OF LANGUAGES, THE TECHNICAL COLLEGE OF MANAGEMENT AND THE TECHNICAL INSTITUTE FOR ADMINISTRATION.

RESTORE ECONOMICALLY-STRATEGIC TRANSPORTATION INFRASTRUCTURE

9. (SBU) CPA TASKS: ENABLE IRAQI CIVIL AVIATION TO PREPARE FOR INTERNATIONAL COMMERCIAL AVIATION AND CARGO SERVICE; ENABLE IRAQI PORT AUTHORITY (IPA) TO ADMINISTER A PORT OF CALL WITH INTERMODAL CAPABILITIES AND INLAND CONTAINER DISTRIBUTION; ENABLE IRAQI RAILROAD RAILWAYS (IRR) TO PROVIDE DOMESTIC AND INTERNATIONAL PASSENGER AND FREIGHT CAPABILITIES; REFORM CIVIL SERVICE AT MINISTRY OF TRANSPORTATION.

-- THE MOT'S AVIATION TEAM MET WITH REPRESENTATIVES OF COALITION JOINT TASK FORCE-7 (CJTF-7) ON APRIL 18 TO DISCUSS THE EFFORT TO IMPLEMENT A CIVIL-MILITARY OPERATION AT THE AIR TRAFFIC CONTROL TOWER (ATCT) AT BAGHDAD INTERNATIONAL AIRPORT (BIAP). THE GROUP ADDRESSED A RANGE OF ISSUES, INCLUDING REVISED COALITION FORCES PLANS REGARDING ASSETS AT BIAP - E.G. THE ROYAL AUSTRALIAN AIR FORCE CONTINGENT AT THE AIRPORT'S TOWER, THE DEVELOPMENT OF AN IRAQI AIR TRAFFIC CONTROL CAPABILITY, AND SUPPORT OF CIVIL AND MILITARY LANDING TRAFFIC.

-- THE MOT'S AVIATION TEAM HAS INITIATED THE DEVELOPMENT

OF AN INTEGRATED PROGRAM TO SUPPORT RECONSTRUCTION CARGO TRAFFIC, WHICH WILL BE MANAGED BY THE PROGRAM MANAGEMENT OFFICE. THIS PROGRAM WILL ADDRESS GROUND HANDLING SUPPORT AND RELATED SERVICES AND SPECIALIZED AIRPORT-BASED SECURITY.

-- THE MOT STAFF RETURNED FROM A MEETING HOSTED BY THE INTERNATIONAL CIVIL AVIATION ORGANIZATION (ICAO) AND THE INTERNATIONAL AIR TRANSPORT ASSOCIATION (IATA) IN KUWAIT TO DISCUSS IRAQI AIRSPACE. DURING THE MEETINGS PARTICIPANTS, INCLUDING THE IRAQI DIRECTOR GENERAL OF CIVIL AVIATION, AND REPRESENTATIVES FROM THE COALITION FORCES AND NEIGHBORING STATES, DEVELOPED A DETAILED PLAN TO IMPLEMENT A CIVIL-MILITARY AIRSPACE AND AIR TRAFFIC SERVICES (ATS) ROUTE STRUCTURE WITHIN THE BAGHDAD FLIGHT INFORMATION REGION (FIR).

-- THE SHIP "VICTORIA ISLAND" CONTINUES TO DREDGE THE PORT OF UMM QASR. THE GRAIN BERTH WAS DREDGED TO 12 METERS IN LESS THAN 48 HOURS WHILE SWITCHING OUT SHIPS TO OFFLOAD.

-- AS OF APRIL 25, 2004, MAERSK HAS AGREED TO REMAIN AS THE PORT MANAGER AT KHAWR AZ ZUBAYR, PENDING COMPLETION OF A NEGOTIATED BRIDGE CONTRACT UNTIL JUNE 30, 2004. MOT INTENDS TO AWARD A LONG TERM PORT OPERATIONS/MANAGEMENT CONTRACT FOR KHAWR AZ ZUBAYR PURSUANT TO A FULL AND OPEN COMPETITION BY JUNE 30. PREVIOUSLY, MAERSK HAD GIVEN WRITTEN NOTICE ON APRIL 14 OF ITS INTENT TO WITHDRAW FROM THE PORT OSTENSIBLY DUE TO SECURITY CONCERNS. THE MOT HAS SECURED RESOLUTION OF MAERSK'S CONCERNS.

-- THE ACTING MINISTER OF TRANSPORTATION HAS APPROVED THE UNITED NATIONS DEVELOPMENT PROGRAM CONTRACT TO INITIATE ACTION ON THE REMOVAL OF 19 SALVAGED WRECKS.

-- ALL MOT ACTIONS HAVE BEEN COMPLETED TO TRANSFER \$12.8M IN PORT FEES PREVIOUSLY HELD IN OFFSHORE ACCOUNTS INTO THE IRAQI PORT AUTHORITY'S ACCOUNT IN BASRAH. THE CPA COMPTROLLER IS TAKING ACTION TO COMPLETE THE TRANSFER OF FUNDS.

BREMER

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BE COMPLETED
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-- THE THREE MAJOR CELL PHONE COMPANIES IN IRAQ (ASIA CELL, IRAQNA, AND ATHEER IN THE NORTH, CENTRAL, AND SOUTH RESPECTIVELY) CONTINUE TO ENROLL NEW CELL PHONE SUBSCRIBERS. CURRENTLY, IN MOSUL, SULAYMANIYAH, AND KIRKUK, THERE ARE 153,000 CELL PHONE SUBSCRIBERS. IN BAGHDAD, THERE ARE 134,000 CELL PHONE SUBSCRIBERS; AND IN BASRA, AL KUT, AMARAH, SAMAWAH, AND NASIRIYAH THERE ARE 45,102 CELL PHONE SUBSCRIBERS. TWO LEGACY COMPANIES, SANA TEL AND KOREK, OPERATE IN SULAYMANIYAH AND ARBIL, RESPECTIVELY. SANA TEL HAS 12,000 SUBSCRIBERS. KOREK'S NUMBERS ARE UNAVAILABLE AT THIS TIME. THE TOTAL AMOUNT OF CELL PHONE SUBSCRIBERS IS 344,102.

-- THERE ARE NOW 761,440 ACTIVE LANDLINE TELEPHONE SUBSCRIBERS IN IRAQ, COMPARED TO 833,000 SUBSCRIBERS PRE-WAR. THE TOTAL NUMBER OF TELEPHONE SUBSCRIBERS IN IRAQ, INCLUDING THE CELL PHONE SUBSCRIBERS, IS 1,105,542, WHICH IS 32.8 PERCENT GREATER THAN THE NUMBER OF ACTIVE LANDLINE SUBSCRIBERS PRE-WAR.

-- THE PENETRATION RATE (THE NUMBER OF ACTIVE LANDLINE TELEPHONE SUBSCRIBERS AS A PERCENTAGE OF THE POPULATION) IS 2.94 PERCENT (USING AN ESTIMATED POPULATION OF 25.9 MILLION).

-- THE FOLLOWING CHART SHOWS THE PERCENTAGE OF OPERATIONAL TELEPHONE SUBSCRIBERS COMPARED TO THE NUMBER OF ACTIVE SUBSCRIBERS IN APRIL 2003.

PROVIDE FOOD SECURITY FOR ALL IRAQIS

5. (SBU) CPA TASKS: ENHANCE CAPACITY OF MINISTRY OF AGRICULTURE; ASSURE SUPPLY OF INPUTS; STRENGTHEN RESEARCH SYSTEM; ENSURE ADEQUATE STOCKS FOR PUBLIC DISTRIBUTION SYSTEM (PDS); MONITOR FOOD SECURITY; HAND OVER ADMINISTRATION OF SYSTEM IN THE NORTH; INITIATE REFORM OF

RATIONS BASKET; ENVIRONMENTAL INITIATIVES.

-- CPA PROJECTS THAT NO SHORTAGES WILL OCCUR IN THE APRIL AND MAY RATIONS GIVEN THE NEW PROCUREMENTS OF FOOD BASKET COMMODITIES BY BOTH THE WORLD FOOD PROGRAM (WFP) AND THE MINISTRY OF TRADE (MOT), INCLUDING ACCELERATED DELIVERY SCHEDULES FOR THE COMMODITIES WHERE STOCKS HAVE BEEN LOW. HOWEVER, MOT FACES PROBLEMS IN PROVIDING UPDATED, ACCURATE STOCK INFORMATION ON A WEEKLY BASIS. THESE PROBLEMS STEM FROM DIFFICULT COMMUNICATIONS LINKS BETWEEN THE GOVERNORATES AND BAGHDAD, AS WELL AS THE NEED TO UPGRADE INVENTORY CONTROL PROCEDURES. CPA IS ADDRESSING THESE CHALLENGES AS PART OF ITS HANDOVER STRATEGY.

-- THE FOLLOWING CHART SHOWS THE CURRENT PDS STOCKS AND SCHEDULED COMMODITY ARRIVALS AS A PERCENTAGE OF TOTAL REQUIREMENTS FROM APRIL UNTIL TRANSITION ON JULY 1. THE CPA GOAL IS TO PROVIDE SUFFICIENT RATION STOCKS FOR JULY, PLUS A THREE-MONTH BUFFER. ON THE GRAPH BELOW, 100 PERCENT OF OPENING STOCKS IN EACH COMMODITY CATEGORY INDICATES THAT THIS GOAL HAS BEEN ACHIEVED. WHILE SUBSTANTIAL ADDITIONAL SHIPMENTS OF MOST FOOD BASKET COMMODITIES HAVE BEEN PROCURED, THEY ARE NOT SHOWN AS THESE SHIPMENTS WILL ARRIVE AFTER JULY 1.

-- NOTE: OIL FOR FOOD (OFF) UNCONFIRMED CONTRACTS ARE THOSE CONTRACTS FOR WHICH A VALID LETTER OF CREDIT EXISTS BUT NO SHIPPING DOCUMENTATION HAS YET BEEN RECEIVED BY THE OIL FOR FOOD COORDINATION CENTER. AS OFF CONTRACTS ARE FULFILLED THEY ARE REPLACED BY MOT AND WFP PROCUREMENT.

-- CPA PROJECTS THAT RICE WILL BE IN DEFICIT IN THE FOOD BASKET IN APRIL. THE RICE DEFICIT IS DUE TO DELAYS IN UNLOADING WAITING RICE SHIPS IN THE PORT OF UMM QASR. CPA

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RN IN THE PORT.

MINISTRY OF TRADE OFFICIALS BELIEVE THAT POPULATION WILL SUPPLEMENT RICE NEEDS FROM THE LOCAL MARKET IN THE SHORT TERM, AND BE SATISFIED WITH "ARREARS DISTRIBUTIONS" OF RICE STARTING IN MAY, ONCE RICE ENTERS THE DISTRIBUTION SYSTEM. THE MINISTRY OF TRADE IS SEEKING TO ACCELERATE THE DELIVERY OF A TEA SHIPMENT FROM VIETNAM, TO COVER MAY RATION NEEDS, WHICH HAVE BEEN REDUCED FROM THE NORMAL 200 GRAMS PER PERSON TO 150 GRAMS.

-- LOCALIZED SHORTAGES MAY OCCUR, RELATED TO AN INCREASE IN INSURGENT ACTIONS THAT HAVE ISOLATED COMMUNITIES FROM THE NORMAL DISTRIBUTION SYSTEM AND IN CRIMINAL ACTIVITY.

LOCALIZED SHORTAGES MAY OCCUR, RELATED TO AN INCREASE IN INSURGENT ACTIONS THAT HAVE ISOLATED COMMUNITIES FROM THE NORMAL DISTRIBUTION SYSTEM AND IN CRIMINAL ACTIVITY. THE MINISTRY OF TRADE IS DEVELOPING CONTINGENCY STRATEGIES TO FEED NON-COMBATANTS IN FALLUJAH AND OTHER TOWNS. AT THIS POINT, FALLUJAH HAS SUFFICIENT FOOD SUPPLIES.

IMPROVE QUALITY AND ACCESS TO HEALTHCARE

6. (SBU) CPA TASKS: DEVELOP HEALTH CARE ORGANIZATIONS, MANAGEMENT, AND INFRASTRUCTURE; TRAIN HEALTH CARE PROFESSIONALS; SECURE SYSTEM; PUBLIC HEALTH; PHARMACEUTICALS LOGISTIC SUPPORT; STRATEGIC COMMUNICATIONS.

-- THE MINISTRY OF HEALTH (MOH) COORDINATED ADDITIONAL CONVOYS OF AMBULANCES AND MEDICAL SUPPLIES INTO FALLUJAH. THE MEDICAL SITUATION THERE HAS STABILIZED. THE MINISTRY IS REMAINING POSTURED TO AFFECT MEDICAL RESPONSES IN THE EVENT COMBAT ACTION INTENSIFIES OR THERE IS A NEED TO EVACUATE ADDITIONAL NON-COMBATANTS FROM THE AREA. THE

MINISTRY WILL ASSIST THE COALITION IN PLANNING FOR EVACUATION CONTINGENCIES BY PROVIDING AN ASSESSMENT OF THEIR CAPABILITY AND IDENTIFYING ANY SHORTFALLS.

-- EFFORTS TO MITIGATE PHARMACEUTICAL SHORTAGES ACROSS THE COUNTRY CONTINUE. THE INITIAL \$5M PURCHASE SHOULD ARRIVE WITHIN THE NEXT FEW WEEKS. THE \$13M IMMEDIATE PURCHASE FROM INTERNATIONAL SOURCES IS IN PROGRESS AND THE MOH EXPECTS CRITICAL MEDICINES TO BEGIN ARRIVING BY THE END OF APRIL. THE THIRD EMERGENCY PURCHASE OF APPROXIMATELY \$10-15M TO FILL THE CRITICAL NEEDS AS DETERMINED BY THE GOVERNORATES MAY BE CONCLUDED LATER THIS WEEK OR NEXT.

RECONSTITUTE OIL INFRASTRUCTURE

7. (SBU) CPA TASKS: PRODUCTION/EXPORTS; PRODUCT SUPPLY; SECURITY; STRUCTURAL REFORM.

-- THE GRAPH BELOW SHOWS THE DAILY CRUDE OIL PRODUCTION IN IRAQ OVER THE PAST NINE MONTHS. THE DASHED BLACK LINE IS THE CURRENT PRODUCTION TARGET GOAL OF 2.5 MILLION BARRELS PER DAY (MBPD).

-- FOR THE WEEK OF APRIL 17-23, THE ESTIMATED AVERAGE TOTAL CRUDE OIL PRODUCTION WAS 2.43 MBPD (.41 MBPD IN THE SOUTH AND 2.018 MBPD IN THE NORTH). THE AVERAGE CRUDE OIL EXPORT FOR THE PAST 30 DAYS WAS 1.55 MBPD. THE AVERAGE PRICE RECEIVED FOR CRUDE OIL EXPORTS WAS APPROXIMATELY \$26

PER BARREL.

-- THE FOLLOWING TABLE SHOWS THE FOUR MAIN FUELS IN IRAQ (DIESEL, KEROSENE, LIQUEFIED PETROLEUM GAS [LPG], AND GASOLINE), THE ESTIMATED TOTAL NATIONAL DAILY DEMAND FOR EACH, AND THE PERCENTAGE OF FUEL SUPPLY THAT IS ON HAND (WEEKLY AVERAGE) OUT OF TOTAL DEMAND.

-- THE GRAPH BELOW SHOWS THE TOTAL DAILY SUPPLY (DOMESTIC PRODUCTION PLUS IMPORTS) FOR EACH OF THE FOUR REFINED FUEL PRODUCTS AS A PERCENTAGE OF ESTIMATED DOMESTIC DEMAND OVER THE PAST SIX MONTHS.

-- THE DEFENSE ENERGY SUPPORT CENTER (DESC) HAS CONTINUED TO INCREASE HUMANITARIAN ASSISTANCE (HA) FUELS FROM TURKEY (DIESEL, BENZENE, AND LIQUEFIED PETROLEUM GAS) TO HELP OFFSET REDUCED IMPORTS FROM KUWAIT RESULTING FROM THE CURRENT TACTICAL SITUATION. THIS "OVER LIFT" (MORE PRODUCT THAT IS IMPORTED THAN ORIGINALLY PROJECTED) IS EXPECTED TO CONTINUE THROUGH MAY 9. FURTHER OPTIONS TO EXTEND OVER LIFT OF HA FUELS FROM TURKEY EXIST. OVER LIFT OF DIESEL FROM TURKEY IS APPROXIMATELY 148% OF ORIGINALLY PROJECTED TARGET. OVER LIFT OF BENZENE IMPORTS FROM TURKEY IS APPROXIMATELY 127% OF ORIGINALLY PROJECTED TARGET. DESC IS WORKING TO INCREASE BENZENE IMPORTS, AND CPA EXPECTS

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ELINE, WHICH CAN TRANSPORT DIESEL, BENZENE, AND KEROSENE, BETWEEN BAIJI AND BAGHDAD. TD WILLIAMSON (RAPID PIPELINE REPAIR CONTRACTORS) WORKED WITH THE IRAQI PIPELINE COMPANY AND REPAIRED THE LINE ON APRIL 26.

-- THE CHART BELOW SHOWS THE DAYS OF SUPPLY ON HAND AS OF APRIL 23 FOR EACH OF THE FOUR MAIN FUEL PRODUCTS IN IRAQ. THE CPA GOAL REMAINS TO HAVE 15 DAYS OF SUPPLY (DOS) FOR EACH FUEL ON HAND NATIONWIDE. CPA MET THIS TARGET FOR KEROSENE.

IMPROVE QUALITY AND ACCESS TO HIGHER EDUCATION

8. (SBU) CPA TASKS: OVERSEE THE BASIC ADMINISTRATIVE FUNCTIONS OF HIGHER EDUCATION SYSTEMS; REFORM AND RECONSTRUCT HIGHER EDUCATION INSTITUTIONS; REINTEGRATE THE HIGHER EDUCATION INSTITUTIONS IN THE NORTH WITH THE REST OF THE COUNTRY; REINTEGRATE IRAQI STUDENTS, SCHOLARS, AND

SCIENTISTS INTO THE BROADER INTELLECTUAL COMMUNITY; LAUNCH A REVIEW AND REFORM OF THE CURRICULUM IN ALL DISCIPLINES; PROVIDE ACCESS TO ESSENTIAL INFORMATION.

-- THREE IRAQI UNIVERSITY PROFESSORS HAVE BEEN AWARDED GRANTS TO PARTICIPATE IN THE FULBRIGHT AMERICAN STUDIES INSTITUTES. ONE PROFESSOR WILL ATTEND A SEMINAR ON AMERICAN CIVILIZATION; ANOTHER WILL BE ENROLLED IN THE SEMINAR ON CONTEMPORARY AMERICAN LITERATURE; THE THIRD PROFESSOR WILL JOIN THE LECTURES ON U.S. FOREIGN POLICY: FOUNDATIONS AND FORMULATIONS. THE SEMINARS WILL TAKE PLACE AT VARIOUS AMERICAN UNIVERSITIES FOR A PERIOD OF 6 WEEKS, FROM MID JUNE TO EARLY AUGUST 2004.

-- THE FIRST ARMORED DIVISION (1 AD) HAS FUNDED A PROJECT TO PROVIDE INTERNET SERVICE AT EIGHT DIFFERENT SITES AT THE BAB MUADHAM CAMPUS OF BAGHDAD UNIVERSITY. THE OVERALL PROJECT WILL COST ABOUT \$85,000 AND INCLUDES EIGHT SATELLITE SYSTEMS, FULL INSTALLATION AND THE PAYMENT OF ALL SERVICE FEES FROM MAY 1 THROUGH DECEMBER 30, 2004. INSTALLATION BEGAN ON APRIL 19 AND THE PROJECT WILL BE COMPLETE BY APPROXIMATELY MAY 5. THE SITES ARE AT THE COLLEGE OF PHARMACY, AL AKEDA WOMEN'S DORMITORY, COLLEGE OF EDUCATION, COLLEGE OF MASS COMMUNICATION, AL RUSALA WOMEN'S DORMITORY, COLLEGE OF LANGUAGES, THE TECHNICAL COLLEGE OF MANAGEMENT AND THE TECHNICAL INSTITUTE FOR ADMINISTRATION.

RESTORE ECONOMICALLY-STRATEGIC TRANSPORTATION INFRASTRUCTURE

9. (SBU) CPA TASKS: ENABLE IRAQI CIVIL AVIATION TO PREPARE FOR INTERNATIONAL COMMERCIAL AVIATION AND CARGO SERVICE; ENABLE IRAQI PORT AUTHORITY (IPA) TO ADMINISTER A PORT OF CALL WITH INTERMODAL CAPABILITIES AND INLAND CONTAINER DISTRIBUTION; ENABLE IRAQI RAILROAD RAILWAYS (IRR) TO PROVIDE DOMESTIC AND INTERNATIONAL PASSENGER AND FREIGHT CAPABILITIES; REFORM CIVIL SERVICE AT MINISTRY OF TRANSPORTATION.

-- THE MOT'S AVIATION TEAM MET WITH REPRESENTATIVES OF COALITION JOINT TASK FORCE-7 (CJTF-7) ON APRIL 18 TO DISCUSS THE EFFORT TO IMPLEMENT A CIVIL-MILITARY OPERATION AT THE AIR TRAFFIC CONTROL TOWER (ATCT) AT BAGHDAD INTERNATIONAL AIRPORT (BIAP). THE GROUP ADDRESSED A RANGE OF ISSUES, INCLUDING REVISED COALITION FORCES PLANS

REGARDING ASSETS AT BIAP - E.G. THE ROYAL AUSTRALIAN AIR FORCE CONTINGENT AT THE AIRPORT'S TOWER, THE DEVELOPMENT OF AN IRAQI AIR TRAFFIC CONTROL CAPABILITY, AND SUPPORT OF CIVIL AND MILITARY LANDING TRAFFIC.

-- THE MOT'S AVIATION TEAM HAS INITIATED THE DEVELOPMENT

OF AN INTEGRATED PROGRAM TO SUPPORT RECONSTRUCTION CARGO TRAFFIC, WHICH WILL BE MANAGED BY THE PROGRAM MANAGEMENT OFFICE. THIS PROGRAM WILL ADDRESS GROUND HANDLING SUPPORT AND RELATED SERVICES AND SPECIALIZED AIRPORT-BASED SECURITY.

-- THE MOT STAFF RETURNED FROM A MEETING HOSTED BY THE INTERNATIONAL CIVIL AVIATION ORGANIZATION (ICAO) AND THE INTERNATIONAL AIR TRANSPORT ASSOCIATION (IATA) IN KUWAIT TO DISCUSS IRAQI AIRSPACE. DURING THE MEETINGS PARTICIPANTS, INCLUDING THE IRAQI DIRECTOR GENERAL OF CIVIL AVIATION, AND REPRESENTATIVES FROM THE COALITION FORCES AND NEIGHBORING STATES, DEVELOPED A DETAILED PLAN TO IMPLEMENT A CIVIL-MILITARY AIRSPACE AND AIR TRAFFIC SERVICES (ATS) ROUTE STRUCTURE WITHIN THE BAGHDAD FLIGHT INFORMATION REGION (FIR).

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DGED TO 12 METERS IN
LESS THAN 48 HOURS WHILE SWITCHING OUT SHIPS TO OFFLOAD.

-- AS OF APRIL 25, 2004, MAERSK HAS AGREED TO REMAIN AS THE PORT MANAGER AT KHAWR AZ ZUBAYR, PENDING COMPLETION OF A NEGOTIATED BRIDGE CONTRACT UNTIL JUNE 30, 2004. MOT INTENDS TO AWARD A LONG TERM PORT OPERATIONS/MANAGEMENT CONTRACT FOR KHAWR AZ ZUBAYR PURSUANT TO A FULL AND OPEN COMPETITION BY JUNE 30. PREVIOUSLY, MAERSK HAD GIVEN WRITTEN NOTICE ON APRIL 14 OF ITS INTENT TO WITHDRAW FROM THE PORT OSTENSIBLY DUE TO SECURITY CONCERNS. THE MOT HAS SECURED RESOLUTION OF MAERSK'S CONCERNS.

-- THE ACTING MINISTER OF TRANSPORTATION HAS APPROVED THE UNITED NATIONS DEVELOPMENT PROGRAM CONTRACT TO INITIATE ACTION ON THE REMOVAL OF 19 SALVAGED WRECKS.

-- ALL MOT ACTIONS HAVE BEEN COMPLETED TO TRANSFER \$12.8M IN PORT FEES PREVIOUSLY HELD IN OFFSHORE ACCOUNTS INTO THE IRAQI PORT AUTHORITY'S ACCOUNT IN BASRAH. THE CPA COMPTROLLER IS TAKING ACTION TO COMPLETE THE TRANSFER OF FUNDS.

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